



UNITED STATES DELEGATION TO THE
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ON THE LAW OF THE SEA

USDe1/3

March 18, 1975

MEMORANDUM

TO: Continental Margin Working Group

FROM: James L. Johnston *JLJ*

SUBJECT: Australia and Commonwealth Attitudes on
the Continental Margin

On Tuesday, March 18, I had a conversation with Ken Waller of the Australian Treasury on the subject of the continental margin. He reaffirmed that obtaining coastal State jurisdiction over mineral resources in the continental margin beyond the economic zone is one of Australia's most important objectives. In addition, Australia is even more opposed than before to the sharing of revenues from any part of the continental margin. This seems to be in line with a similar attitude encountered by John Norton Moore from Australian Ambassador Ralph Harry.

Waller reported that a trend is growing among the Commonwealth countries at a meeting held last week for the same objectives. Senegal, India and the Africans are notable in this regard. However, most members are not as vigorously opposed to revenue sharing beyond the economic zone as Australia. They seem to feel, according to Waller, that sharing revenues from the outer margin may be a political quid pro quo to gain the support of landlocked countries. None of these Commonwealth countries have performed an economic and fiscal analysis of the effects an extra cost burden might have on production in this high cost recovery area, says Waller. Thus, their revenue sharing positions with respect to both the area and the rate must be considered tentative.

State Dept. review completed

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There is no significant support in the Commonwealth, or indeed anywhere, says Waller, for sharing revenues within 200 miles.

The Canadian position on both issues is unchanged from Caracas. Notably, revenue sharing for the Canadians is still, according to Waller, "a provisional proposal," with no further details forthcoming.

The U.K. is as interested as before in obtaining the full continental margin. Waller reports that HMG is no longer strongly opposed to revenue sharing beyond 200 miles. "They have gone soft" on the point, he says, in hopes of obtaining support for the full margin. See a separate memorandum of conversation with Alan Archer of the U.K. on this point.